

MINUTES
REGULAR MEETING
CITY COUNCIL

August 1, 2016

Ronnie Thompson, Mayor

Sally W. Sandy, City Manager
Louis E. Vinay, Jr., City Attorney

John H. Cantrell)
Forrest A. Fleming) Councilmen
Sidney Simmons)
Vacant)

Joy Hern-Guzman, Interpreter

I. The meeting was called to order in the Council Chamber at City Hall at 6:00 p.m. by Mayor Thompson.

II. Public Comment – The Mayor stated the guidelines for public comment and speakers were called in order of sign-up.

- Terra Smith resides at 1318 Jamestown Road. Smith stated she is the vice-president of LGBT Burke. LGBT Burke was formed to bring awareness and information as well as to foster good will between the LBGT community and citizens of Burke County. She stated that LGBT Burke plans to hold a Pride event on the Courthouse Square in the fall. They are seeking funds to host this event, estimated at costing \$1500. The group has currently raised \$500. Smith requested the City become a sponsor of this event and stated she would be sending a formal request for the Council's consideration.

No other speakers were signed up so the Mayor recessed the meeting at 6:03 p.m.

III. Business of the Council – The Mayor reconvened the meeting at 6:15 p.m.

IV. Pledge of Allegiance – Councilman Fleming led the recitation of the Pledge of Allegiance to the Flag.

V. Invocation – The invocation was given by the Rev. Adam Bowling, Associate Pastor, First Presbyterian Church.

VI. Introduction of Council – The Mayor introduced the Council and staff.

VII. Public Advocacy Issues and Strategies

a. The Mayor announced the following upcoming events at CoMMA; BackPorch Series continues with Strictly Clean & Decent, August 4; The Hushpuppies, August 18; and Mainstage begins with Collin Raye, August 25. He announced that Farmer's

Markets continue on Saturdays behind the Old Depot and Wednesdays on North Green Street; and the Third Thursday Art Crawl is in Downtown, August 18; At the Mayor's request, Sharon Jablonski gave a preview of the upcoming Historic Morganton Festival, September 9-10.

b. Award: 2015 North Carolina Area Wide Optimization Program Award - Brad Boris stated the primary focus of the Water Resources Department was to provide safe drinking water. He then introduced Randy Hintz, Asheville Regional Office NCDENR- Division of Water Resources Public Water Supply Section. Mr. Hintz stated the Area Wide Optimization Program was established by the EPA to create enhanced levels of treatment at water treatment plants. He stated that dedicated professionals are needed to provide safe drinking water every day 24/7.

This is the 7th time that the City of Morganton has been able to achieve this standard since the program started in 2006. Hintz then presented the award to Jason Green, Morganton Water Treatment Plant Superintendent.

c. Human Resources Director Rus Scherer stated the City had recently received safety awards from the North Carolina Department of Labor. This year's **Silver Awards** were: First Year, Cemetery & Grounds; Second Consecutive Year, Street Department; Fourth Consecutive Year, Recreation Department

Gold Awards: First Year, Sanitation; Second Consecutive Year, Community House & Mainstreet Office and Development & Design; Third Consecutive Year, Administrative Departments; Fourth Consecutive Year, Municipal Auditorium; Sixth Consecutive Year, Waste Water Treatment Plant and Seventeenth Consecutive Year, Water Treatment Plant.

Scherer stated HR would be taking the awards to present to each department over the coming few weeks.

VIII. North Carolina Municipal Power Agency Number 1 Update – The City Manager stated there was nothing to report.

IX. Consideration of Changing City Council Meeting Date for September 2016 - The City Manager stated that due to the Labor Day Holiday, City staff recommends that the City Council Meeting for September be changed from September 5, 2016 to September 12, 2016.

Upon motion by Councilman Cantrell, seconded by Councilman Simmons, and carried unanimously, the Council changed the City Council Meeting date from September 5, 2016 to September 12, 2016.

X. Consent Agenda – The City Manager presented the consent agenda and asked if any items should be removed. No request was made.

Upon motion by Councilman Fleming, seconded by Councilman Cantrell, and unanimously carried, the consent agenda was approved and each individual item adopted as stated, these being as follows:

A. Approved minutes for a Regular Meeting held on June 6, 2016 and a Special Meeting and Closed Session on June 20, 2016.

B. Approved a professional services agreement with the Western Piedmont Council of Governments for Phase 2 Storm Water Public Outreach and Education Services in the amount of \$5,189.

C. Approved and executed water tank maintenance contracts with Utility Service Company.

D. Approved and authorized an engineering services contract with HDR Engineering to complete an assessment & improvements study for the Silver Creek sewer pump station in the amount of \$39,000.

E. Approved tax releases in the amount of \$5,850.39.

XI. Items Removed from Consent Agenda – No items were removed.

XII. New Business

A. Public Hearings and Actions

1. Public Hearing to Consider a Request Submitted by Roger Drayer to Permanently Close and Abandon an Unopened Cul-de-sac Right-of-way at the End of Raintree Lane

The Mayor opened the public hearing at 6:30 p.m.

The City Attorney stated that Roger Drayer, who owns property at the end of Raintree Lane indicated that the City of Morganton Engineering Department agreed, in 1999, to abandon a section of unopened right-of-way at the end of Raintree Lane. This abandonment was negotiated during a street petition improvement process and in exchange for new right-of way to construct the actual cul-de-sac which was built 97 feet short of the platted cul-de-sac. The street was shortened due to steep topographic conditions beyond its present location.

Mr. Drayer requested the City honor its negotiations at the time by officially closing and abandoning the unopened cul-de-sac right-of way adjoining his property. The City Council adopted the Resolution of Intent on June 6, 2016 which set forth the required notification process in accordance with N.C.G.S. 160A-299. This Public Hearing was advertised in the Morganton News Herald on July 1, 8, 15, and 22nd. Certified Mail was sent to adjoining property owners on June 28, 2016 and the boundaries of the closure were posted with the Resolution of Intent on June 27, 2016 in two visible locations.

The Mayor asked if anyone wished to speak about this item:

- Roger Drayer stated that when this street was built there was a verbal agreement with Wayne Harris, then City Engineer, that there would be a land exchange. Mr. Drayer stated he was 76 years old and wanted to be able to sell the property with a clear title.

Councilman Fleming asked Mr. Drayer what was his concern about this issue. Mr. Drayer stated that his understanding was there would be a property swap and he wanted that agreement honored. He also stated Harris requested a right-of-way across his property at that time to which Mr. Drayer agreed.

The City Attorney noted that since Mr. Drayer was the only property owner adjoining the street to be closed, he would become the owner of all the land now occupied by the portion of unopened street.

There being no further public comment, the Mayor closed the public hearing at 6:34 p.m.

Action:

Upon motion by Councilman Cantrell, seconded by Councilman Simmons, and carried unanimously, the Council approved an ordinance to Permanently Close and Abandon a Portion of Unopened Cul-de-sac Right-of-Way at the End of Raintree Lane (Res. #16-19).

B. Other Business

1. Consideration of Calling a Public Hearing to Consider Amendments to Development Incentive Grant Agreement with Alpine Mill, LLC

The City Attorney stated that in November, 2014, City Council joined with the Burke County Commission in entering into a Development Incentive Grant ("DIG") Agreement with Alpine Mill, LLC, for the re-purposing and re-development of the old Drexel Plant 7 at 109 E. Fleming Drive ("the Project"). Under that Agreement, Alpine was to invest an estimated \$6,500,000 to create a mixed-use development of some 82,000 square feet, the Project being done in two phases, with Phase 1 to complete by June 30, 2016 and Phase 2 within two years thereafter. County and City DIG grants were to begin in calendar year 2017, based on the increased tax value of the Project property as assessed each year beginning after Phase 1 completion.

Alpine began work (primarily demolition of some of the existing structures) in December, 2014, but has since decided to change the Project in several significant ways. Therefore, Alpine has now requested that the County and the City revise and amend the DIG Agreement. Alpine has submitted revised documentation, specifically including an updated cash flow statement showing that the Project will meet the "but for"

requirements of the DIG program. City and County staff have considered these requests, and drafted a proposed amended DIG Agreement.

The proposed amendments or revisions are as follows:

- 1) The Project would no longer be done in phases. Rather, the entire Project will be completed by June 30, 2018.
- 2) Instead of a “mixed-use” development with both residential and commercial components, the Project will be entirely residential, consisting of 62 rental units, and covering 86,000 square feet, instead of the originally planned 44 units plus commercial space, covering 82,000 square feet.
- 3) Alpine’s projected investment, and thus the projected increase in property tax value, will be \$10,300,000, significantly increased from the original Agreement’s projected \$6,500,000 investment. Likewise, the estimated increase in property tax value at the end of the Project would be about \$9,800,000, up from an estimated \$6,500,000.
- 4) Because of the larger investment and thus larger increase in tax value, the estimated size of the DIGs from the County and City will increase. Also, since the anticipated investment by Alpine is well over \$5,000,000, the rate at which the grants are calculated will be .0085 instead of the .0075 which was anticipated for Phase 1 of the original Project.
- 5) With the change to a single phase Project to be completed by June, 2018, the new tax value would not be established until January, 2019, and therefore the first calendar year in which the County and the City would pay the grants will be 2019, and the 5 years provided for such grants would extend until 2023.

Because this is a substantial change in the DIG Agreement, and because the original Agreement was only adopted after a public hearing, if the Council wishes to consider this amendment, it is necessary to call for and hold a public hearing.

Upon motion by Councilman Fleming, seconded by Councilman Cantrell, and carried unanimously, the Council called for a public hearing, at the Council’s scheduled meeting at 6:15 p.m. on Monday, September 12, 2016, to consider proposed amendment of the Development Incentive Grant Agreement among the City, Burke County and Alpine Mill, LLC.

2. Consideration of Neighborhood-wide Speed Limit of 25 mph in the Residential Neighborhood that includes Riverside Drive, Riverside Court, Steeple Heights Lane, Montrose Drive, Linden Street, Woodbine Terrace, Kinwood Street, Lurawood Drive, Hillside Lane, Woodland Place and Woodland Drive

The City Manager stated that in response to citizens’ concerns, a traffic engineering study was conducted with regard to the above-referenced residential area within the city

limits of the City of Morganton. The traffic engineering study primarily focused on the evaluation of the nature and characteristics of the nearby street network. The streets listed above are all local residential streets whose primary function is to provide access to the residences along those streets. It should be noted as well that no sidewalks are available for residents on these streets. They must use the streets for walking and other pedestrian activities. While mobility, that is speed or ease of traffic flow, is still necessary on these streets; the role of mobility is not as vital in a residential setting as it would be on an arterial street or an expressway. From a traffic engineering and safety standpoint, these residential streets connect into a collector street, West Union Street, which is posted at 35 mph; logically, there should be some distinction and hierarchy between West Union Street and these residential streets in terms of speed limit as there exists in function of the streets. Consequently, the residential streets listed above should fall under an umbrella speed limit of 25 mph for the neighborhood along these streets. And as a result, the appropriate neighborhood speed limit signs should be posted at the appropriate locations leading into the neighborhood for enforcement.

Upon motion by Councilman Cantrell, seconded by Councilman Simmons, and carried unanimously, the Council authorized and ordered the implementation of an umbrella 25 MPH speed limit for the neighborhood that includes Riverside Drive, Riverside Court, Steeple Heights Lane, Montrose Drive, Linden Street, Woodbine Terrace, Kinwood Street, Lurawood Drive, Hillside Lane, Woodland Place and Woodland Drive, and installation of the appropriate "Neighborhood Speed Limit 25 mph" signs.

3. Consideration of a Sidewalk Encroachment with Striker Properties LLC at 108 West Union Street

The City Manager stated that The Kitchen Connection, a local kitchen store and wine shop, will be relocating from the River Village on the Greenway shopping center to downtown Morganton, mid-August. Their new location will be at 108 West Union Street, owned by Striker Properties, LLC. This will add fine wine, unique packaged foods, whole bean coffees, loose-leaf teas, and supplies for the art of home cooking to the current mix in Downtown. Additionally, The Kitchen Connection will be selling wines by the glass, which will feature a wine dispenser known as the "Wine Station" by Napa Technologies of California. This wine dispenser maintains state-of-the-art cooling and temperature control and uses Smartcard Management software. Customers will be able to serve themselves using a debit or tab card purchased at the store.

To that end, The Kitchen Connection would like to provide 3 to 4 tables and chairs on the sidewalk in front of the store. Wine barrels will define each of the two sides. This will still allow for a 5' clear passage. There are zero requirements by ABC officials as to how the area is defined or cordoned off.

Councilman Cantrell asked the status of the Kitchen Connection's move. The City Manager stated they were currently in the process of moving.

Upon motion by Councilman Simmons, seconded by Councilman Cantrell, and carried unanimously, the Council approved an encroachment by Striker Properties, LLC on the sidewalk in front of 108 West Union Street for the purpose of seating and the consumption of wine for customers of The Kitchen Connection.

4. Consideration to Award a Contract for Fabrication and Installation of the Fourth Phase of Wayfinding Signage

The City Manager stated that in 2013 the City installed the first phase of its approved Wayfinding Sign program for the Morganton area and has now completed two more phases. This program was designed to augment many of the efforts currently underway to promote tourism and attract newcomers to our community. Morganton's Wayfinding program greets visitors with an attractive and informative community sign package placed in strategic locations along our major roadways. The signs lead visitors to local destinations, attractions and landmarks. The signage also reduces driver confusion, improves public safety, promotes local education and markets Morganton's brand as "Nature's Playground".

Bids were received on July 14, 2016 for the fabrication and installation of Phase 4 of the Morganton Wayfinding Program. The lowest responsible bidder is the contractor that was utilized to complete Phases 2 and 3 of the Wayfinding package. This contract proposes the same unit prices as Phases 2 and 3 except for some additional installation cost.

Phase 4 includes 11 signs to be installed along Enola Road, Bethel Road, South Sterling Street, East Union Street, Catawba Meadows Drive and Downtown. It also includes a panel update and one sign which is reconstructed due to a traffic accident.

The City's Development & Design Department recommends the bid be awarded to Creative Impressions of Norcross, Georgia in the amount of \$43,169.00. The Main Street Department 2015/2016 budget appropriated \$40,000 for this phase of Wayfinding.

Upon motion by Councilman Simmons, seconded by Councilman Fleming, and carried unanimously, the Council authorized a contract for services to Creative Impressions of Norcross, Georgia for the amount of \$43,169.00.

5. Consideration of Additional Handicap Parking Spaces in the Downtown Business District

The City Manager stated the Downtown Parking Committee met Friday June 24, 2016 to address several parking requests. Calvary Lutheran Church located at 119 North King Street requested that two additional handicap spaces be added to the parking lot beside their church. The adjacent lot is owned by the City of Morganton.

City of Morganton Engineer, Mark Young explained to the Parking Committee that two additional handicap spaces could easily be added. The Parking Committee established that two additional spaces would not only help Calvary Lutheran Church but the Morganton Community House customers as well. They agreed to make the request to Council for the two additional spaces. No other formal requests are being made at this time.

Upon motion by Councilman Fleming, seconded by Councilman Simmons, and carried unanimously, the Council approved the addition of two (2) handicap spaces in the lot off King Street and beside of Calvary Lutheran Church.

6. Consideration of Approval of Memorandum of Understanding Concerning Development of Possible Hotel Site Off South Sterling Street – The City Manager asked for a delay of action on this item and that it be brought back at a later meeting pending further negotiations.

Upon motion by Councilman Cantrell, seconded by Councilman Simmons, and carried unanimously, the Council approved removing this item from the agenda.

7. Consideration of an Appointment to the Alcohol Beverage Control Board

The term of ABC Board Member Mark Miller is expiring. The City received a letter from Steve Gregory, Chairman of the ABC Board, requesting that Mr. Miller be reappointed. Mr. Miller has been an excellent participant on the Alcoholic Beverage Control Board and has expressed interest in continuing to serve as a member of this board.

The City has also received an application from Mr. Robert B. Carr who has stated an interest in being appointed to this board.

This is a Council appointment and the term for this position will expire on August 5, 2019.

A motion was made by Councilman Cantrell to appoint Mark Miller to the ABC Board which was seconded by Councilman Fleming.

Councilman Simmons nominated Rob Carr to be appointed.

The Mayor called for a vote on appointing Mark Miller, the resulting vote being 2-2. The Mayor then called for a vote on appointing Rob Carr, the resulting vote being 2-2.

The Mayor then called for another vote to appoint Rob Carr with the vote being 1 (Simmons) – 3.

The Mayor then called for another vote to appoint Mark Miller. The resulting vote was 3 – 1 (Simmons). The Mayor announced that Mark Miller would be appointed to the ABC Board for a term to expire on August 5, 2019.

XIII. Other Items from City Manager and City Council Not on Agenda – There were no other items presented.

XIV. Reports – Reports were distributed for information.

XV. Adjournment – The meeting was adjourned at 6:49 p.m.

Preparation of Minutes. These minutes were prepared by Mikela D. Russell, Assistant City Clerk. Copies of all resolutions, ordinances and orders referenced in these minutes are intended to be incorporated into these minutes as if fully set forth herein. Prior to including them into the official minute book, the minutes have been read and approved by the City Manager and the City Attorney, then distributed to each member of the City Council for further review and final approval, at a subsequent Council Meeting.

Mayor

Assistant City Clerk